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HCH-020-03

August 29, 2003

Mr. William Norton, Executive Officer / Air Pollution Control Officer Bay Area Air Quality Management District 939 Ellis Street San Francisco, CA 94109

Attn: Ms. Brenda Cabral, Permit Services Division

Re: Valero Refining Company - California

Benicia Asphalt Plant (Plant No. B3193)

Regarding EPA Comments on Draft Title V Permit (Application No.17468)

Dear Ms. Cabral:

Valero has received and reviewed U.S. EPA - Region 9's letter of August 18, 2003 to the proposed Title V Major Facility Review Permit for Valero Refining's Benicia Asphalt Plant, and would like to offer the following observation regarding one of the comments submitted by EPA regarding MACT applicability.

Valero respectfully disagrees with EPA's interpretation that 40 CFR 63.644(a)(1), which requires temperature monitoring, is applicable to either Thermal Oxidizer A4 or Thermal Oxidizer A31, as neither are control devices for a miscellaneous process vent subject to the standard.

The Crude Unit (S18) is the only miscellaneous process vent at the Asphalt Plant subject to MACT requirements. The control device for S18 is the Vacuum Furnace, S19. As discussed in Section VII of the Statement of Basis and as correctly shown in Table IV-M of the draft Title V Permit, S19 is exempt from temperature monitoring under 40 CFR 63.644(a)(3) [i.e., emissions vented into the flame zone of a process heater].

We appreciate the opportunity to clarify the operations of our asphalt unit and hope you find this helpful. Should you have any further questions in this matter, please do not hesitate to contact Ms. Sky Bellanca at (707) 745-7807.

Sincerely,

VALERO REFINING CO. - CALIFORNIA

Clark Hower

Environmental Manager, Benicia Refinery

cc: Steve Hill - BAAQMD Sky Bellanca - Valero Eric Hengst - Valero

KSB:hch